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UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF NEW YORK

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In re: Chapter 11

HORIZON GROUP OF NEW ENGLAND, INC., Case No. 07-11394 (REL)

Debtor.

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**RESPONSE OF TRAVELERS PROPERTY CASUALTY CO. OF AMERICA AND
TRAVELERS EXCESS AND SURPLUS LINES CO. TO
DEBTOR'S MOTION TO CONFIRM ITS PLAN OF LIQUIDATION
AND RESERVATION OF RIGHTS**

Travelers Property Casualty Co. of America and Travelers Excess and Surplus Lines Co., creditors and parties-in-interest in the captioned case (together, “Travelers”), in response to the referenced Debtor’s Motion to Confirm its proposed Chapter 11 Plan of Liquidation (as amended, the “Plan”), states as follows:

1. In Travelers’ Objection to the Debtor’s Disclosure Statement dated March 11, 2009, Travelers highlighted various issues relating to the issue of whether the Debtor had, among other things, proposed a confirmable Plan. Travelers has spent the last several weeks negotiating with the Debtor to resolve its concerns.

2. Travelers and the Debtor reached an agreement resolving their dispute through, among other things, an agreed modification of the Plan and assignment

of certain insurance policies, to be submitted to the Court for approval as part of the confirmation process. The proposed modification will not have any material affect on, or diminish any return to, any of the other creditors of the Debtor's estate. Further, the Office of the United States Trustee has been advised of the settlement and its terms.

3. In reliance on the settlement agreement with the Debtor, Travelers will not file objections to confirmation of the Debtor's Plan. If the settlement is not implemented and performed by the Debtor, or not approved by the Court, then Travelers reserves all of its rights and remedies it may have available, including the right to oppose confirmation of the Plan and to seek conversion or dismissal of the Debtor's case.

Dated: Mineola, New York
September 16, 2009

WESTERMAN BALL EDERER
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By: /s/ Mickee M. Hennessy
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